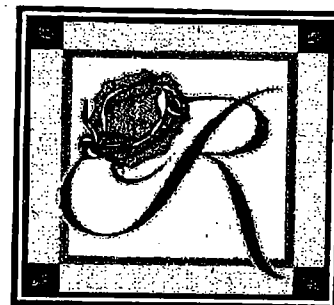


THE ROSE FOUNDATION

For Communities & The Environment



6/5/08

Ms. Andrea Armstrong
US Department of Justice
Environment & Natural Resources Division
Policy, Legislative & Special Litigation Section
Box 4390
Washington, DC 20044-4390

Re: Communities for a Better Environment v. Action Metal Recycling

Dear Ms. Armstrong,

This letter is intended to provide assurance that I have received the proposed Consent Agreement between CBE and Action Metal Recycling and that I am authorized by my Board of Directors to make the following binding commitments on behalf of the Rose Foundation.

- 1) I understand that the Rose Foundation should receive some funds from Action Metal Recycling as specified in the Consent Agreement. As well as a mitigation payment, these funds may include certain liquidated payments.
- 2) As specified in the Consent Agreement, and regardless of whether any Action Metal Recycling monies paid to the Rose Foundation derive from liquidated payments or mitigation payments, the Rose Foundation shall only disburse these Action Metal Recycling funds for projects that are designed to benefit the environment of the San Francisco Bay-Delta watershed.
- 3) After the Action Metal Recycling funds have been disbursed, the Rose Foundation shall send a report to the Justice Department describing any project(s) supported with the Action Metal Recycling funds.

Rose Foundation for Communities and the Environment

The Rose Foundation is a 501(c)(3) public charity (tax ID#94-3179772). Its mission is to:

- Encourage communication and cooperation between businesses and their communities.
- Combat community deterioration by encouraging individuals to take responsibility for the environmental consequences of their own actions.
- Help government efforts to control pollution by increasing community involvement.

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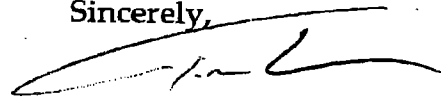
- Support job creation through the development of environmentally sound businesses.
- Harness economic power to leverage environmental sustainability.

A primary means by which the Rose Foundation accomplishes its mission is to disburse grants to non-profit organizations in furtherance of these charitable purposes. The Foundation does not fund political lobbying activities prohibited by Section 501(c)(3) of the IRS Code.

The Rose Foundation is governed by a Board of Directors. Grant applicants are required to submit written proposals, which must include at a minimum specific information about the goals and activities of the proposed project, background about the charitable applicant, budget information, and a specific funding request. The Foundation may require additional information in order to fully evaluate the application. Applications are first screened by Foundation staff. Staff then makes recommendations to the Foundation Board for action. The Foundation requires all projects to submit written reports within one year of receipt of award describing work conducted under the grant, thereby providing an accountability mechanism over funds awarded. Annual audits by the certified public accounting firm Levy and Powers are posted on the Foundation's website www.rosefdn.org.

I hope this provides you with the information you require. Please do not hesitate to contact me with any questions, or for additional information at (510) 658-0702 or tlittle@rosefdn.org.

Sincerely,



Tim Little
Executive Director